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Fifty-ninth session

VERBATIM RECORD OF THE 1691st MEETING

Held at Headquarters, New York,
on Tuesday, 26 May 1992, at 10.30 a.m.

President: Mr. RICHARDSON (United Kingdom)

later: Mr. FELIX-PAGANON (France)

- Opening of the fifty-ninth session
- Statement by the President
- Adoption of the agenda
- Report of the Secretary-General on Credentials
- Election of the President and the Vice-President

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- Organization of work

- Examination of the annual report of the Administrative Authority for the year ended 30 September 1991: Trust Territory of the Pacific Islands

- Report of the United Nations Visiting Mission to Palau, Trust Territory of the Pacific Islands, March 1992

The meeting was called to order at 10.50 a.m.

OPENING OF THE FIFTY-NINTH SESSION

The PRESIDENT: I declare open the fifty-ninth session of the Trusteeship Council.

STATEMENT BY THE PRESIDENT

The PRESIDENT: Let me first of all, with great pleasure, say how nice it is to see so many friends from Washington and Palau back here so soon after we met them all during our visit to Palau at the end of March. I hope that our friends from Palau will take back with them the warmest greetings of all members of the Council and all mission members to President Etpison and Vice-President Nakamura, and all our friends and colleagues who did so much to help us in Palau when we were there at the time of the visiting mission.

I also want to take this opportunity to express our very deep sorrow at the untimely death of Chief Justice Nakamura, with whom we had, I remember very well, an extremely interesting and lively conversation. We are all deeply sorry that he has passed away. I ask you all please to convey once again our sincere sense of sorrow to his relatives.

ADOPTION OF THE AGENDA (T/1963)

The PRESIDENT: Members of the Council have before them in document T/1963 the provisional agenda drawn up by the Secretary-General in consultation with the President of the Council under rule 8 of our rules of procedure.

If I hear no comments, I shall consider that the agenda of the fifty-ninth session is adopted.

The agenda was adopted.

REPORT OF THE SECRETARY-GENERAL ON CREDENTIALS

The PRESIDENT: I should now like to inform members of the Council that the Secretary-General has still not received the credentials of all members of the Council. May I suggest, therefore, that this agenda item be considered at a future meeting?

If there are no objections, it will be so decided.

It was so decided.

ELECTION OF THE PRESIDENT AND THE VICE-PRESIDENT

The PRESIDENT: I now invite members of the Council to elect a President of the fifty-ninth session. This election will be carried out by secret ballot pursuant to rule 41 of the rules of procedure of the Trusteeship Council.

A vote was taken by secret ballot.

Mr. Jean Félix-Paganon (France) was elected President unanimously.

The PRESIDENT: I am delighted that the Council has unanimously elected Mr. Jean Félix-Paganon President of the Council. He is, as we say in the United Nations, no stranger to the work of the Council.

I now invite Mr. Félix-Paganon to take the Chair.

Mr. Félix-Paganon took the Chair.

The PRESIDENT (interpretation from French): Before taking up the next agenda item, that is to say, the election of the Vice-President, I should like first of all, on my own behalf and, I am sure, also on behalf of all members of the Council, to extend thanks to my predecessor, Mr. Thomas Richardson, who for a year now has guided the work of our Council with efficiency, diligence, courtesy, kindness and, above all, such a great sense of humour.

(The President)

I should also like to thank the members of the Council for the trust they have shown in electing me to the presidency. Of course, this election came as no surprise; nevertheless, it gives me great pleasure and I look forward to the task with considerable interest. I say "pleasure" because, following the last visiting mission to Palau, many of the participants here have now become friends, and it is always most agreeable to preside over a meeting of friends.

(The President)

I say "interest", because we all realize that this session of the Trusteeship Council will be an important one, for, during the last visiting mission to Palau, we all felt that the archipelago was on the eve of making a decisive choice. I think that this session will afford us an opportunity to hear in some detail the intentions of all concerned with regard to the future, and especially with regard to the prospects for Palau's reaching a decision on its final status. I do hope, therefore, that my presidency will in this respect see our work bear fruit, and I should like to assure the representatives of Palau who are with us that they can count on the members of the Council and its President to help them to achieve their aspirations in so far as possible.

We shall now proceed to the election of the Vice-President of the Council.

A vote was taken by secret ballot.

Mr. Thomas Richardson (United Kingdom) was elected Vice-President unanimously.

The PRESIDENT (interpretation from French): I congratulate Mr. Thomas Richardson most sincerely and heartily on his election. On the basis of past experience, I am absolutely certain that the leadership of the Council will be in the best possible hands should I be unable to be present.

Mr. RICHARDSON (Vice-President): I do not intend to say very much, because I shall have occasion to speak a little bit later in this debate about the outcome of our visiting mission to Palau. But let me say quite genuinely, Mr. President, what a pleasure it is to be serving under you this year as your Vice-President. I thank all members of the Council for electing me to that position, and I know that in Jean Félix-Paganon the Council has someone who is fully familiar with the situation in Palau and who was of enormous help to us throughout the entire time of our visiting mission.

ORGANIZATION OF WORK

The PRESIDENT (interpretation from French): A provisional time-table for the fifty-ninth session of the Trusteeship Council has been prepared and circulated to members of the Council. It has been drawn up on the basis of past experience and in accordance with the time-table prepared for the fifty-eighth session. The Council is of course free to make changes in this time-table if members so wish.

If there are no comments, I shall take it that the Council agrees to follow the time-table as closely as possible.

It was so decided.

The PRESIDENT (interpretation from French): Before proceeding to take up the substantive part of our work, I should like to ask members of the Council to do their best to be on time for meetings, so that the Council will be in a position to make maximum use of the time available to it and try to conclude its work for the session within the agreed time frame.

I have been approached by the representatives of the Federated States of Micronesia and Papua New Guinea with a request to sit at the Council table during the current session of the Council. As members recall, the Federated States of Micronesia and Papua New Guinea participated in the recent visiting mission to Palau. I propose, in accordance with rule 12 of the rules of procedure of the Trusteeship Council, to invite those representatives to take places at the Council table and to participate, without the right to vote, in the Council's deliberations. If I hear no objection, I shall take it that the Council agrees to my proposal.

It was so decided.

At the invitation of the President, Mr. Marehalau (Federated States of Micronesia) and Mr. Lohia (Papua New Guinea) took places at the Council table.

The PRESIDENT (interpretation from French): Before the Council begins its consideration of conditions in the Trust Territory of the Pacific Islands, I should like to call on the representative of the United States, who wishes to introduce the members of her delegation.

Mrs. TAHIR-KHELI (United States of America): I should like first to introduce Assistant Secretary Stella Guerra from the Department of the Interior, who is of course already known to members. Assistant Secretary Guerra heads the Office of Territorial and International Affairs in the Department of the Interior.

Next to the Assistant Secretary is Stephen Sander, Legislative Assistant in the Office of Territorial and International Affairs, Department of the Interior.

We also have with us another colleague, who went on the mission to Palau, John Becker, Director of the Office of Freely Associated States, Europe, East Asia and Pacific Affairs, in the State Department, and Christian Castro, who I believe members already know from the United States Mission to the United Nations.

Next to Stephen Sander, we have the Honourable Santos Olikong, Special Presidential Representative and Chairman of the Palauan delegation; the Honourable Victorio Uherbelau of the Ministry of Foreign Affairs; Sandra Pierantozzi, Minister of Administration; Senator Minoru Ueki, Senate Vice-President and Chairman of the Foreign Affairs Committee; and, lastly, the Honourable Hideo Tell, Chairman of the House Foreign Affairs Committee. We have additional colleagues here, but I think I shall leave the introductions at that.

At the invitation of the President, the members of the United States delegation took places at the Council table.

The PRESIDENT (interpretation from French): On behalf of all the members of the Trusteeship Council, I very warmly welcome the members of the United States delegation.

EXAMINATION OF THE ANNUAL REPORT OF THE ADMINISTERING AUTHORITY FOR THE YEAR ENDED 30 SEPTEMBER 1991: TRUST TERRITORY OF THE PACIFIC ISLANDS (T/1962*)

The PRESIDENT (interpretation from French): The Council will now begin its consideration of conditions in the Trust Territory of the Pacific Islands.

Mrs. TAHIR-KHELI (United States of America): I am extremely pleased to extend my delegation's congratulations to you, Sir, on your unanimous election as President of the Trusteeship Council. I know that the personal knowledge and appreciation of Palau which you developed during the March visit of the Council's Mission there will enable you to approach your duties with a full understanding of the opportunities which Palau has to develop fully its economic and political institutions. I also want to accord recognition to the achievements of the past President, Ambassador Richardson of the United Kingdom. He provided guidance for the Council during its last session, and it was largely due to his leadership that the Mission was able to gather useful information and prepare a report which is both accurate and forward looking.

I should like to take this opportunity also to extend condolences, on behalf of the Administering Authority, on the passing away of Chief Justice Nakamura, with whom many of us had very fruitful and insightful talks while we were on the Mission.

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* Reissued for technical reasons.

(Mrs. Tahir-Kheli, United States)

While Palau's status has not changed since our last session, there have been a number of developments of some importance. The former United States representative to the Council, Ambassador Wilkinson, visited Palau twice last summer in order to explore with the Palauan leadership possible solutions to the stalemate. Subsequently, Palau requested certain modifications to the Compact of Free Association, and the United States gave a formal response to those suggestions in April. My delegation has provided the Council with a copy of the United States response, and we are prepared to answer any questions members may have. There has also been a popular initiative to amend the Palauan Constitution in order to permit ratification of the Compact by a simple majority vote. The representative of Palau can provide us with the details on this development. What is important from the point of view of the United States is that this development shows that Palau is prepared to deal with its future in a decisive and meaningful fashion.

One of the important events during the past year was the visit of the Council's Mission to Palau in March. This visit gave all of us an opportunity to see at first hand what the situation in Palau is and the potential the country has. We shall have an opportunity to discuss the Mission's report in more detail later in this session, but I know that I developed a better understanding of Palau during that visit and I am certain that the other participants did as well. In the course of the working mission, we all had many opportunities to discuss with a variety of Palauans the future of their country. I know we came away impressed with our discussions. We recall also the beauty of the Rock Islands, the remoteness of the jungles of Babelthuap and the charm of the people of Palau. All those things remain vivid memories for us all today. What we need to focus on now is a successful effort which

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will permit Palau to use its resources to develop in a manner satisfactory to its people.

While each delegation will want to draw its own conclusions from this visit, my Government believes that the problems which we saw and heard about are additional evidence that the time has come for Palau to move out of the trusteeship status and to make for itself the decisions which are necessary to ensure its own prosperity and development. A trusteeship which would extend well into the final decade of the twentieth century is clearly not what the Security Council intended when it created the trusteeship in 1947, nor is it what the United States envisaged. Rather, the trusteeship was created to bridge the gap between the devastation and disruption of the Second World War and whatever future the residents of these islands should choose. The time to make this choice is now upon us.

The United States agreed to negotiate the Compact of Free Association in the belief that such an arrangement would be beneficial to Palau. We wished to see Palau safely launched into statehood and believed that the mechanism of free association was both an equitable and a practical way to achieve that objective. We continue to believe this to be the case, as apparently does the substantial majority of Palauans that have supported the Compact in each of the seven plebiscites.

There are of course alternatives to the Compact. At the Council's session last year, the United States delegation spoke about independence as an alternative to free association. We are not advocating this solution. We believe free association to be the better choice; but if free association is not acceptable, then independence seems to be the logical alternative. Paluans have amply demonstrated that they are quite anxious to exercise

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self-government, and are fully capable of so doing. Independence would be the ultimate form of self-government.

Some have suggested that a still-closer relationship with the United States, such as commonwealth, would be appropriate for Palau. But, clearly, if the relatively modest obligations of free association are more than some Palauans are willing to bear, the considerably more binding relationship of commonwealth status would not be appropriate, the statement of a few Palauan leaders to the contrary notwithstanding. We see no evidence that Palau understands the implications of a commonwealth relationship or that such a relationship would prove viable.

Substantial modification of the present Compact has also been advanced as a possible alternative. In this connection, I would bring to the Council's attention the fact that on three separate occasions the United States has modified the Compact in order to meet Palauan concerns. Unfortunately, none of those concessions has led to adoption of the Compact. But the fact that the United States has in the past made changes is indicative of the serious effort we have made in the past to be responsive to the needs of Palau.

As outlined in the 7 April response to Palau by my Government, the present Compact specified a procedure by which the two parties can agree on modifications of the basic document. Similar language is included in the Compacts with the Federated States of Micronesia and the Republic of the Marshall Islands. As circumstances have changed or new situations have arisen, we have agreed with those two freely associated States to modify their Compacts. Some of these changes have required legislative action; others have not. But modification of the original document has occurred with a minimum of difficulty and to the satisfaction of all parties.

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In short, the United States considers the Compact to be a living document, which can be adjusted as the situation requires. We believe that this built-in feature of the Compact is advantageous to both parties and would meet the needs of Palau. The alternative - to negotiate changes to the Compact yet again prior to ratification by Palau - raises a number of procedural problems which could endanger the entire Compact. We have therefore advised Palau that we consider this approach to be both impactical and unwise.

Assistant Secretary Guerra will later discuss some of the administrative arrangements and practices which the United States has pursued during the past year in order to carry out its mandate as the Administering Authority. Our goal has been to permit Palau to administer itself to the maximum degree possible, consistent with our ultimate responsibility as mandated by the Trusteeship Agreement. After the negotiation of the Compact in 1986, it was the United States belief that Palau would take a positive decision on that document, and we therefore permitted the Government of Palau to exercise additional authority, consistent with the transition from Trust Territory to freely associated status. But free association was not adopted as we had anticipated and hoped. We therefore had no choice but to backtrack somewhat.

That has been a painful process for Palau. But the fact that Palau has objected to some of the measures we have taken is not a sign of United States insensitivity to Palauan needs but, rather, a sign that Palau has developed its political institutions to the point that the leadership wishes to assume full responsibilty for the governance of the islands. We too agree that the time for complete self-government under a status other than that of a United

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Nations Trust Territory has arrived. We await only the decision of Palau to effect that welcome change. We hope that the deliberations of this Council will contribute positively to that process.

Ms. GUERRA (Special Adviser): Mr. President, on behalf of the Administering Authority and especially my office in the Department of the Interior, I wish to congratulate you on your unanimous election to preside over this very important session of the Trusteeship Council. Let me not overlook the election of the representative of the United Kingdom to the office of Vice-President. The election of two such competent individuals bodes well for the Council.

Because of the recent Visiting Mission, I am certain that discussions at this session will be of extreme importance to the future of Palau, the last jurisdiction in the last Trust Territory. I am confident that the leadership and direction to be provided by you will be thoughtful, insightful and constructive.

Because I had the opportunity to be in Palau with the Visiting Mission, I want to take this opportunity to express my pleasure and that of my Government that finally, after many, many years of invitations, the Russian Federation, represented by Mr. Berezovsky, took part in that historic mission. It is my sincere hope that he found Palau to be as beautiful and as progressive as we had assured the delegation in previous years. I know that he now has experienced the reality of Palau through the Mission's eyes, including the issues that still require resolution. For this reason, I look forward to the discussions that will take place over the next several days.

I would be remiss in my duties if I did not express special thanks to the representative of the Federated States of Micronesia, Ambassador Jesse Marehalau. His presence on the Mission was indeed a historic event. It was only a few short years ago that the Federated States of Micronesia was represented on this side of the Chamber as part of the Trust Territory of the Pacific Islands. Now it is a full Member of the United

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Nations. No greater demonstration of the process of successful self-determination under the guidance of the Trusteeship Council and the commitment of the Administering Authority to the principles of democracy and freedom of choice can be made.

I do not want to overlook the very important contribution of the representatives of the People's Republic of China and Papua New Guinea. It is my hope that your observations will contribute to the early termination of the Trusteeship for Palau and that the term "Trust Territory" will finally become a footnote in history.

Since the United Kingdom and France have traditionally taken part in all previous visiting missions, my comments for them are abbreviated. The leadership of then-Council-President Richardson of the United Kingdom made possible a very productive mission, despite the time constraints. The representative of France also is deserving of our appreciation for his very valuable contribution to the Mission's success.

Like the Council, I too want to express sentiments over the death of Chief Justice Nakamura. The loss of the first Chief Justice of the Palauan Supreme Court is greatly felt by all of us who respected and appreciated his leadership and friendship.

And now, since the recent Visiting Mission, so reflective of Council membership, is familiar with most issues, I simply want to touch on some major aspects of our administration that occurred subsequent to the publication of our report to the Council.

Coincident with the arrival of the Mission in Palau, there was an operation in Peleliu jointly conducted by agents of the United States Customs Service; the Drug Enforcement Administration; Bureau of Alcohol, Tobacco and

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Firearms, and Palau police. This operation resulted in the confiscation and destruction of over 10,000 marijuana plants.

We firmly believe that the operation, along with all of the federally financed ongoing drug-awareness campaigns that were apparent during the Mission's visit, send a strong message to the people who would engage in this nefarious traffic. Illegal drug activity will not be tolerated as long as the United States is the Administering Authority of the Trust Territory. While no arrests were made during the operation, we expect local Palauan authorities to follow up and reinforce their own commitment to a drug-free society in Palau.

I am aware that the Mission was again presented with a request from some Federal authorities to convince the Administering Authority to resolve the infamous IPSECO obligation. For the record, I will simply repeat what has been stated in this Council for many years: we believe that it is up to the Government of Palau to deal with its own debts.

We have, on the other hand, agreed to "front-end load" the financial package contained in the proposed Compact of Free Association in such a way that if the Compact is approved according to Palau's Constitutional process, there would be an advance on Compact funding that would cover the debt. This is part of the 1989 Guam Accords. The debt is, however, an obligation of the Government of Palau entered into without the concurrence of the Administering Authority.

The same is true of the longstanding obligation for the four paved roads in Babelthuap.

Much discussion took place concerning differing opinions centering on Secretary's Order 3142. As the responsible authority for that order, I will state only that it was promulgated and enforced largely as a result of the

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constructive criticism of the Council over the past several years. We recognize that, as long as the Trusteeship Agreement is applicable to Palau, the United States is ultimately responsible for what happens in Palau.

While there was a period of years during which we were willing to let the Trust Territory administer itself as if it were already in free association with the United States, based on an expectation of imminent approval of the Compact, we have since accepted the fact that the approval process in Palau may, more realistically, take more time than originally envisioned.

Secretary's Order 3142 provides for the implementation of our responsibilities with a closer level of coordination and cooperation between our two Governments. The order offers Interior funding for a Palau national master plan that will be written according to the express desires of the Palauan citizenry and approved in Palau. We are putting the finishing touches on a partnership agreement with the United Nations Development Programme and expect the actual planning process to commence later this summer. It is our firm belief that such a plan is absolutely necessary to secure the future of Palau for the Palauan people.

In addition, through the order, we are working closely with the Palauan authorities to ensure fiscal responsibility at both the national and state levels. Already there has been a great deal of progress, with the Government of Palau instituting responsible fiscal measures that will help ensure that spending remains within available revenue.

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My colleague Ambassador Tahir-Kheli will address the political status question in more detail. I wish to emphasize, however, that the terms used in our annual report this year, anachronistic and obsolete as they are, do in fact describe our opinion of the Trusteeship and its continuation. We are very anxious to close this chapter of post-Second World War history and lower the flag on the very last Trust Territory in the world just as soon as possible.

For the record, we still believe the Compact of Free Association is the status of choice for both the Palauans and our Government. In seven plebiscites the majority of Palauans have made their preference for the Compact abundantly clear. If, however, the Compact is not possible, I will repeat what was said by our delegation last year before this Council, and most recently following the visiting mission. Independence is an alternative. We would be happy to enter into discussions of independence at any time if free association is no longer a viable alternative.

We hope that there will be a rapid resolution of the status issue in Palau. I advise the Council, however, that after seven trips to the polls and seven failures to reach the constitutionally mandated 75-per-cent majority, we will not be particularly enthusiastic for plebiscite number eight unless the Palau Constitution is first amended to allow Compact approval by a simple majority. This change is necessary before funding is made available for another trip to the polls on the issue of Compact implementation. After there is a successful plebiscite on the Compact, we can talk about revisions through the Compact's amendment procedures. In the meantime, let me assure the Council that the Administering Authority takes its responsibility seriously and will continue to do so until the status issue is resolved.

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Finally, let me touch on one of the most important topics applying to the Trust Territory: economic and social development.

The visiting mission was able to see for itself the nearly completed hospital. I believe it is scheduled to open at the end of this year. This represents a $25-million investment by the Administering Authority. This project will immensely improve health-care delivery in the Territory.

In addition, we have funded a variety of projects - most of them described in the annual report - which contribute to the infrastracture that will aid future development. Our operations and maintenance improvement programme is continuing to provide funds for rehabilitating capital structures and for training personnel in operations and maintenance.

We are quite pleased with the success of the privately owned commercial fisheries ventures operating in Palau today.

I would like to note briefly that my office and that of President Etpison have reached an important agreement on the preservation and protection of endangered species in Palau. The visiting mission was present when we signed a historic agreement which will contribute greatly to the preservation of the various turtle species of Palau's waters while at the same time permitting the use, for exclusively internal traditional purposes, of non-Palauan turtle shells confiscated outside Palau. All Palauan commercial trade in shells of endangered turtles has now been terminated by mutual agreement. We have even mounted an attractive exhibit at the Palau International Airport to inform visitors of what can and cannot be removed from Palau legally.

In spite of the world-wide setbacks in tourism, we note that visitor entries are up in Palau. This is an excellent indicator of Palau's bright tourism and economic potential. The entry in the annual report concerning

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foreign investment applications is also encouraging. In 1990, out of 41 applications only 14 were approved. In 1991, 18 out of 26 applications were approved, for a variety of investments from water sports to banking.

It is our sincere hope that the Palau national master plan will provide the structure and rules for legitimate investment that will bring increasing prosperity to Palau, both now and in the post-trusteeship period. A resolution of political status would give the international business community further confidence in Palau. I predict that Palau will soon turn its potential into reality.

The experience of the recent visiting mission will make our deliberations here more effective and fruitful. We pledge our full cooperation in the Council's work now and in the future, with the hope that our collective effort will lead to early termination of the last trusteeship. Nothing would make us happier than to see Palau join its former trust territory partners as a full member of the United Nations and of the international community.

The PRESIDENT (interpretation from French): I call on the Chairman of the Palauan delegation, the Honourable Santos Olikong, Minister of State of the Republic of Palau.

Mr. OLIKONG (Special Representative): I am honoured to appear before the Trusteeship Council today to speak on behalf of the Republic of Palau. I see many faces that are familiar from the visit of the United Nations Visiting Mission to Palau early this year. I know mission participants enjoyed themselves in our islands, and I hope their chance to see Palau first hand, with its accomplishments and problems apparent, will make the work of this session more productive.

(Mr. Olikong, Special Representative)

I would also like to add my congratulations to you, Mr. President, and to the Vice-President on your unanimous election to guide the Council this year. To the outgoing President and Vice-President we convey our thanks for their assistance, their insights and their efforts during the past year.

As members know, I ascended to my position as Palau's Minister of State only months ago. Members may recall that my predecessor bade this Council farewell at its 1988 session, assuming that that was to be the last appearance of Palau before this body. Yet today we still find ourselves making the same annual pilgrimage to New York to report on the present state of our fledgling Republic under a relationship that has outlived its usefulness - a relationship that Palau, the United States and this Council no longer desire; a relationship that we all want to see terminated.

This time I really wish that I shall be the last representative of Palau to report under the trusteeship relationship. The termination of the last trusteeship on Earth must be the goal and the purpose of this 1992 Council session. Today let us review the events of the past year, address the prevailing issues preventing the dissolution of the trusteeship, devise a plan for its eventual termination and take bold and decisive steps to achieve Palau's goal of true self-rule.

(Mr. Olikong, Special Representative)

Before proceeding, I would like to thank the Council's President for sympathies sent to us upon the unexpected passing away, on 25 April 1992, of our Chief Justice, Mamoru Nakamura, the first Chief Justice of the Supreme Court. More than any other single person in Palau, Chief Justice Nakamura taught the value of constitutional government by his example and showed us how the rule of law can civilize man's instincts. The late Chief Justice will be sorely missed as Palau struggles with legal and constitutional issues affecting its future.

I am most happy to report and to express the appreciation of the people of Palau to the United States Department of the Interior and the United Nations Development Programme (UNDP) for financing and participating in the formulation of the Palau Master Plan through a tripartite agreement with the Palau Government. Palau early this year formed and launched a national policy task force which has begun the process of national planning, and we await final approval of the initial funding by the Department of the Interior and UNDP. If all goes well, we expect the master planner to be installed and operating by August this year, and the Plan to be finalized and approved in two years. Only through the formation and execution of this economic and social Plan can the people of Palau be said to control its destiny. I should also add my people's and Government's appreciation to the Administering Authority for the new hospital facilities, which are 90 per cent complete and await to be equipped and furnished for the grand opening in December this year.

As members of the Council may recall, when widespread politically related acts of violence stalked Palau in 1987, wreaking havoc upon the lives and property of our people, I, as Speaker of the House of Delegates and a victim myself, pleaded with this body and the Administering Authority to take action

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to secure and restore law and order in Palau. No action was taken until 1991, three years later, when a Special Prosecutor was appointed and installed by the Administering Authority, a move welcomed by the people of Palau with a sigh of relief. After extensive investigations, the Special Prosecutor has initiated strings of cases related to the 1987 unrest. The people of Palau has high expectations that the rule of law and justice will at last be restored.

However, just when his prosecutorial task is gaining headway, we have learned that the Special Prosecutor may have to leave the work unfinished by 4 July 1992, owing to disagreement on the extension of his contract with the Interior Department. The President has asked the Administering Authority for its continuing sponsorship of the Special Prosecutor under the trusteeship and into the period of the Compact if it is effectuated next year. The stability of Palau now and after the trusteeship era depends upon the effective enforcement of laws, the unrelenting and successful prosecution of law and human rights transgressors, and the eradication of Government corruption. We urge the Department of the Interior of the Government of the Administering Authority to iron out its differences with the Special Prosecutor and to retain him so that he can complete the cases he has begun, which should take one to two years.

Palau has requested certain operation and maintenance funds from the Interior Department for servicing the IPSECO generators in Aimeliik. The funds are absolutely essential before the generators are put out of commission in a matter of months for lack of needed maintenance, overhauling and servicing ever since they were installed in 1985. The Interior Department has granted the request but pegged the release of funds to the enactment of

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legislation in Palau transferring utilities from the Government to a self-supporting autonomous body. While Palau has decided, as a policy matter, to privatize or transfer to independent institutions some Government services - including utilities - the conditions, terms, and procedures of such a transfer have yet to be worked out as part of the proposed Master Plan formulation in the next two years. We ask the Administering Authority, particularly the office of Assistant Secretary Guerra, to release the funds before Palau plunges into a long, hot and dark summer. This is an emergency situation that demands immediate action. We appeal to this Council to help us convince the Honourable Stella Guerra to consider the urgency of this matter and to act accordingly. It is a disgrace that, after 45 years under the Administering Authority, about 75 per cent of the Republic of Palau still has no electricity in this day and age.

In your visit last March, Mr. President, you and the members of the visiting mission were apprised of the negative impact of United States environmental laws and regulations on current and future development projects in Palau, both Government and private. While many provisions of these laws and regulations out of Washington are geared towards the protection and enhancement of the natural environment of our islands, their approval processing requirements are very cumbersome, highly technical and expensive. This dilatory process is compounded by the fact that the final approving authorities are the United States Army Corps of Engineers or offices of the Environmental Protection Agency in Hawaii or on the United States mainland. In our experience, it takes from two to five years to go through such a serpentine process that, by the time a permit is obtained for a major project in Palau, much time has been wasted, the processing and project costs have

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soared to astronomical levels, and world economic conditions have so changed as to render the project totally unviable. Ultimately, the losers are not only the potential investors and the national or State Governments, but also the people of Palau.

There is an urgent need to revise the system if we are to accelerate the development of our young Republic to meet our rising needs and resolve our social and economic problems. United States laws and regulations have stymied more than they have contributed to the economic progress of Palau, thus retarding the objectives of the United Nations trusteeship system. We propose that the Administering Authority take one of these alternatives: either the concerned United States agencies establish their offices in Palau, or they appoint Palau Government agencies to perform their approving functions.

An example of the adverse effects of the restrictive United States regulations is the non-implementation of Palau's priority infrastructure and development projects: the circumferential road on Babelthuap Island and the proposed new airport there. These projects, vital to upgrading the country's transportation system, are the cornerstones of our national development efforts. Unless these important projects are completed, we cannot see how any meaningful development can proceed in Palau. Already set in motion, these projects are hindered from planning to construction stages by United States regulations and approval requirements. Besides the time and effort needed to obtain funding for them, it will take at least four years and millions of dollars before the first shovel breaks ground. If the Administering Authority insists on imposing its permit regulations, then at the very least it should

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provide the financing for these projects prior to the termination of the trusteeship in order to ensure their implementation. So far, there is no indication to that effect.

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The Compact of Free Association was developed over many years and has been put to a test as a viable political status by our next-door neighbours in the Federated States of Micronesia and the Republic of the Marshall Islands. It is the only political status on the table now between the United States and Palau. The details of the relationship were first disputed, then negotiated, and finally agreed upon. As Palauans, we have learned to subscribe to the adage that "Genius lies in the details", but now we see that too much time has been spent arguing over procedures and the technicalities of implementation in Palau. Our country needs to see an end to the trusteeship so that our Constitution can be fully enforced by our people and be recognized not only by our neighbours but also by the United States and the United Nations as the only sovereign instrument - the supreme law of the land - in our islands.

Last year, we reported the formation of a working group to identify and propose to the United States modifications to the Compact in the context of present realities and the changing world order. Palau suggested the removal of nuclear provisions from the Compact, but was advised right away that this was not acceptable; it sought a shorter term of the Free Association relationship and redesignation of land areas which the United States could commandeer for military purposes. These proposed Compact modifications were formally relayed to United States Ambassador James Wilkinson, who led the delegation of the Administering Authority in the Council's last two annual sessions, during his two visits to Palau to hear our concerns and seek common ground with us. They were also officially transmitted in writing to the United States Government by the Palauan political leadership in October 1991. Unfortunately, on 7 April 1992, the United States Department of State responded by summarily rejecting all the proposed modifications. And while I

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understand that the United States has concerns of its own, we cannot figure out why it took the Administering Authority nearly two years just to say "No" in the end.

Palau continues to seek ways to resolve the political status issue. Shortly after the visiting mission left, a citizens' petition to allow ratification of the Compact by a simple majority vote was presented to the Government. That petition has been verified by our Election Commission as bearing valid signatures of more than 25 per cent of our registered voters as required by our Constitution for any popular initiative to be effective. Upon its receipt, President Etpison formally submitted a legislative proposal to our National Congress designed to provide for a Constitutional Amendment Referendum as requested by the Petition. But since the proposed bill did not get enacted by the Congress in time to ensure a vote within the 90-day period specified in the Petition, the President has set 13 July 1992 as the referendum date. President Etpison and other leaders of Palau had hoped for a congressional act calling for a referendum to amend the Constitution. However, all interests appear to agree that the petition, through executive order, must be placed before the voters to be accepted or rejected in a fair and open election, as the voters decide.

I cannot predict now what the outcome of that vote will be. Without the modifications in the Compact which Palau's leadership had hoped to obtain from the Administering Authority, the electorate may refuse to change the 75-per-cent requirement for a Compact approval that frustrated seven previous plebiscites. Even if the petition passes, we cannot be certain that our voters will subsequently approve the present version of the Compact, unless some better assurances come about from the United States relating to military

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land-use rights and the terms of the agreement. I sincerely hope, however, that within the next one year, the United States and Palau will come to terms on their future relations and that the Council can then terminate the world's remaining Trusteeship Agreement.

In the economic sphere, Palau has remained undeveloped. The tourist industry is moving at a snail's pace. While blessed with bountiful waters, Palau's lucrative fishing industry hardly moved the islands out of its economic doldrums. Maximizing optimum economic returns from the exploitation by distant-water fishing nations of the Republic's fisheries resources within its 200-mile exclusive economic zone has been plagued by illegal fishing by foreign fleets. Slow progress is evident in the area of trade and commerce. Infrastructure facilities and institutions remain inadequate, if not antiquated.

The educational system in Palau continues to be substandard. It is failing to mould our people into vital assets in nation-building. Our schools and other learning institutions cannot produce quality graduates. Our youth, ill-equipped with academic knowledge and practical skills, lag behind in various fields of human endeavour. Since employers hire trained immigrants before employing from the Palauan workforce, too often our young people see their choices as emigration or stagnation. As a result, 13 out of 16 States are suffering from depopulation.

Lack of road, power and water systems in Babelthuap Island contributes to overconcentration of physical development in Koror, Palau's provisional capital. In frustration, our States have begun road and other physical projects on their own, but these are chronically underfunded and suffer from design and environmental deficiencies. While basic services are being

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extended to villages outside Koror too slowly, the increasing population and commercial activities in the capital overburden water, sewer and electric utilities in Koror, not to mention other associated social problems.

Under the Trusteeship Agreement, it is the obligation of the United States as Palau's Administering Authority to prepare the Palauan people for self-government and self-sufficiency. Towards this end, the United States should have created opportunities for the Palauan people to enable them to stand as a proud Republic in the community of nations upon the termination of the trusteeship. This the United States could have done by providing the people of Palau with adequate training in international diplomacy; making allowances for them actively to take part in international forums; assisting them in international trade relations; and promoting the skills necessary for the proper conduct of foreign affairs with other nations and international or regional organizations. It is my painful duty to report, however, that in this vital preparation for self-government, the Administering Authority has taken calculated steps to stifle rather than to promote progress. Instead of propelling Palau to national advancement, it has bogged the island Republic down in the morass of political and economic stagnation by imposing upon us its regressive orders and regulations under the guise of performing its trusteeship obligations.

The most serious threat to the efforts of Palau in preparing itself to run its own affairs and to exercise its inalienable freedom, is Secretary's Order 3142 issued by the United States Secretary of the Interior on 15 October 1990.

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Since 1981, and long before this infamous Order was promulgated, the 16 state governments of Palau operated as autonomous political units in accordance with the National Constitution and their respective state constitutions by passing their laws, electing their own officials and running their day-to-day affairs free from unnecessary interference from either the national Government or the Department of the Interior. The new Order, however, takes most of these state powers away and prohibits them, among other things, from enacting their budgets, entering into any contract, engaging in any business, securing any loan or appropriating funds, without the prior approval of policy-makers residing thousands of miles away in Washington D.C. The Order virtually returns Palau to the post-war era as a faceless subject of the United States Naval Administration that wielded the limitless authority of an absentee colonial landlord in the Micronesian Islands from 1945 to 1952. In promulgating the Order the United States perhaps forgot the fact that as Palau's Administering Authority it is bound by article 6 of the Trusteeship Agreement and Article 76 (b) of the United Nations Charter, which specify the United Nations Trustee's obligations to its ward. I need not quote those provisions, as members are very familiar with them.

It is, however, worth while to recall to mind that whatever powers the Administering Authority has over us, they are limited by article 4 of the Trusteeship Agreement, which provides:

> "The Administering Authority, in discharging the obligations of the trusteeship in the Trust Territory, shall act in accordance with the Charter of the United Nations and the provisions of this agreement and shall, as specified in Article 83 (2) of the Charter, apply the

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objectives of the international trusteeship system, as set forth in Article 76 of the Charter, to the people of the Trust Territory."

Since the inception of the trusteeship system, Secretarial Orders have been applied in Micronesia as the Administering Authority's mechanism for discharging its obligations and responsibilities under the Trusteeship Agreement and the United Nations Charter. Secretary's Order 3142, however, is being applied as an instrument for violating the very same Trusteeship Agreement and the United Nations Charter by effectively taking away powers and authority that the 16 states and the national Government of Palau have been exercising - in particular over the past 11 and a half years under a democratically elected constitutional Government. In their application, most sections of Order 3142 run counter to the objectives of the Trusteeship Agreement, and while the United States may have been given extensive powers in the administration of the Trust Territory of the Pacific Islands as a strategic trust, the authority so vested must be exercised in compliance with and within the confines prescribed in the Trusteeship Agreement that the United Staets entered into with the United Nations in July 1947.

Another major flaw of Secretary's Order 3142 is its phantom requirements, which are found neither explicitly nor implicitly in its text but nevertheless enforced by the policy-makers in the Departments of both Interior and State. Section 11 of the Order requires prior clearance and/or approval, or a statement of no objection, by the United States of communications between Palau and foreign countries. Palau recently asked for clearance when President Etpison was invited to visit the Philippines. The President was told in no uncertain terms that he could not travel to the Philippines as chief executive of a nation in view of Palau's trusteeship status and that

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Palau's President could not therefore be treated as if he were from a sovereign State. Upon a request for reconsideration of non-official capacity Palau was again told that its President could not visit the Philippines even as a private person because the Philippine Government would most likely receive him as a Head of State. And just last week Palau was advised by officials of the United States State Department that not only could President Etpison not attend the United Nations Conference on Environment and Development in Brazil but that no other official from Palau could go as a Government representative. Palau could participate, we were informed, only as a non-governmental organization, since it currently lacks the attributes of a sovereign or semi-sovereign country. Again, nothing in Secretary's Order 3142 prohibits the travel of Palau's President in this fashion.

Selective enforcement of the Secretary's Order is creating an impression - at least to us - that the Administering Authority wants to perpetuate Palau's dependence on the United States. It appears - at least to us - that this regressive Order is reducing Palau to a welfare state, unable to stand on its own feet and thus continuing to be forever subservient to the whims of its Administering Authority through the few officials charged with carrying out its policies. Although we are alarmed by the restrictions of Order 3142, we refuse to believe that the United States is consciously applying iron-fist tactics in asserting outright administrative, legislative or judicial control over Palau by means of the Order. We hope and pray that the Order is not in any way a tool to pressure or coerce Palau into accepting the Compact of Free Association, which has not been approved by a 75-per-cent constitutionally required vote in 7 referendums.

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Our fears may be unfounded, for it could be that the technocrats-bureaucrats at the Departments of Interior or State, relishing their new-found powers over the people of Palau or in an over-zealous discharge of their offices, have been driven to overstep the bounds of responsibility, to the prejudice of the Palauan people.

However that may be, we are prepared for the consequences of the termination of the trusteeship and a new form of political status. We will conduct our own affairs as best we know how; we will learn from our own mistakes and be strengthened by them; we will suffer from our own misjudgements but be all the wiser for it and harvest the fruits of our own success in nation-building. It is high time for us Palauans to brace ourselves and to rise up to meet the challenges of the future, come what may.

The Republic's political agenda for the remainder of 1992 includes voting on a citizens' initiative calling for a constitutional amendment referendum. Should it pass favourably - and we are confident that it will - another Compact plebiscite will follow. President Etpison, who staunchly supports the Compact of Free Association, with the proposed modifications, has declared that the eighth referendum on the Compact will be the last. In keeping with the Council's past practices, Palau respecfully requests the Trusteeship Council to dispatch an observer mission to witness the voting. Should the Palauan voters reject the Compact of Free Association at the polls, with or without our suggested changes, then Palau and its people will have no other choice but to explore an alternate status arrangement.

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Simultaneous with the preparations for the constitutional amendment referendum called for by the popular initiative, Palau will also conduct a historic presidential primary election in September, to be followed by general national elections in November during which the electorate will select new leaders - and, the President trusts, one old one as well - for the next four years.

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In closing, I should like to say that the quest for our rightful place in the community of proud nations is not without trials and tribulations, and we are indeed learning in the process. But, knowing that the price for subservience and complacency is national downfall, we have learned to relish the pains of our political struggle for genuine freedom. We are determined to put an honourable end to the trusteeship in the first year of the next Administration. This we hope to work out with the blessings of the Divine Providence, with the Trusteeship Council's helping hand, and with the goodwill of the United States of America. This we hope to achieve in the spirit of peace, harmony and understanding.

The PRESIDENT (interpretation from French): As there are no other speakers at this time, the Council will continue its consideration of this item at its next meeting, tomorrow morning.

REPORT OF THE UNITED NATIONS VISITING MISSION TO PALAU, TRUST TERRITORY OF THE PACIFIC ISLANDS, MARCH 1992 (T/1964)

The PRESIDENT (interpretation from French): I call on the Chairman of the Visiting Mission, Ambassador Thomas Richardson of the United Kingdom, to introduce the Visiting Mission's report.

Mr. RICHARDSON (United Kingdom), Chairman of the Visiting Mission: At the risk of repetition, let me first convey the Visiting Mission's warmest greetings and thanks to His Excellency President Etpison, to Vice-President Nakamura, to Minister Olikong, to Minister Pierantozzi, and to all our friends in the Palauan delegation here and all the other friends whom we met in Palau a short two months ago.

(Mr. Richardson, Chairman, Visiting Mission)

I wish also to express the profound sorrow of my delegation, and of myself personally, at the untimely death of the Chief Justice.

Also, I should like to convey our greetings to our United States colleagues - the Assistant Secretary of the Interior, Stella Guerra, Mr. John Becker, Mr. Stephen Sander, Ambassador Tahir-Kheli, and all the rest of the United States team, both from Washington and from Palau.

We have just heard some very important statements, on which I am sure we shall all want to reflect very carefully. My purpose in speaking this morning is a more modest one - that is, to introduce the report of the Visiting Mission to Palau, over which I had the honour to preside.

As you said, Mr. President, the report of the Visiting Mission appears in document T/1964. I think that this report and its conclusions and recommendations speak for themselves.

It was a very important Mission, I think, for two reasons. The first reason, of course, is that it was the largest mission to go to Palau for many years. All the members of the Trusteeship Council were represented on it - of course, other than the United States itself. In addition, we had the invaluable participation of our friends from the Pacific region, Ambassador Lohia of Papua New Guinea and Ambassador Marehalau of the Federated States of Micronesia. Secondly, as members of the Council will have noticed, the Mission's report was unanimous, and I hope it derives greater strength from that fact.

I want to pay a tribute to all my colleagues on the Mission, including the absent Mr. Wang of the People's Republic of China, who is now happily ensconced at headquarters in Peking. I want to convey especially our thanks and gratitude to our colleagues from the Secretariat: Mr. De Souza,

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Mr. Campino, Mrs. Lim and Mrs. de Guzman. I thank them all very much for their constant help and advice.

I do not intend to speak at very great length. We learned a lot during our stay. I expect we would have learned still more had we been able to stay longer. But I believe that the Visiting Mission's report is a faithful account of our visit to Palau. I want to reiterate our warm thanks to all those in Palau who made the arrangements for our visit.

In its report, the Mission has made a substantial number of conclusions and recommendations. It is not my intention to repeat them all here, but I should just like to touch on what seem to me to be the three most important issues raised in the course of our visit.

The first, of course, is the question of Palau's future political status. As we say in our report, there was a very evident sense of frustration among all those with whom we spoke, and a corresponding anxiety to ensure the success of the next referendum - which we all hope will be the last - on the proposed Compact of Free Association. The Mission noted the possibility of a constitutional amendment to enable the Compact of Free Association to be passed by a simple majority in a subsequent referendum. We have learned some further details just this morning of how the Palauan representation envisages the next steps in this process. We also know that the Administering Authority has now replied - shortly after we concluded our visit to the area - to the Palauan memorandum of last October. I very much hope that the statements already made at this meeting and those still to be made will help to clarify the way forward, and that all members of the Council

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will be able to judge for themselves how the events of the next year are likely to proceed.

On many occasions in Palau, the Trusteeship Council was urged to assume what I might call greater responsibility for the process. I think it is fair to say that there was no real agreement on what the Trusteeship Council should do. For example, some of those to whom we spoke wanted a moratorium on any further Compact referendums and therefore, at least by implication, the prolongation of the Trusteeship Agreement for some time yet to come. Others, in turn, wanted the Council to take early action to help the parties reach agreement on Palau's future status and so enable the early termination of the Trusteeship Agreement. But everyone to whom we spoke begged, implored the Council not to abdicate its responsibilities. There was no disagreement whatsoever on that.

In all this, the Council's position is clear. It is set out in the Mission's own concluding observations and recommendations. It is not - and should not be - for this Council to express a view on any particular form of future political status, provided only that it conforms to the broad framework of self-government or independence that is laid down in Article 76 of the Charter of the United Nations. It is a self-evident fact that only Palauans can decide on their own future, through their own democratic constitutional processes. It follows, in my delegation's view - and I am sure in the view of others too - that the Trusteeship Council will continue to fulfil its responsibilities fully and conscientiously for as long as the Trusteeship Agreement remains in force. Equally, however, we all know that Palau is the last remaining Trust Territory and that in normal circumstances its future status would have been resolved one way or the other some years ago. A

(Mr. Richardson, Chairman, Visiting Mission)

prolonged continuation of the present impasse can only lead to a mounting sense of frustration, which it is in everyone's interest, I suggest, to avoid. I very much hope, therefore, that early progress can be made on resolving Palau's future status. We may wish to return to this subject in the course of our general debate later this week.

Let me just add that I certainly and, I believe, all the members of the Mission were very impressed indeed by the sophistication and maturity of both the Palauan leadership and the Palauan people. We are in no doubt whatsoever that Palau stands ready to assume increased responsibilities internationally.

Secondly, it will be clear from the main body of the Mission's report that the Mission heard a great deal, most of it critical, about the impact of Secretary's Order 3142. I think it is of some importance here to distinguish between two aspects of this issue.

Responsibility for financial and fiscal matters is something which it is in the interest of the Palauans themselves to ensure - and, above all, of course, of their Government. This is true and has to be true whatever Palau's current or future status. There will be an effect on international willingness to invest in the Territory.

(Mr. Richardson, Chairman, Visiting Mission)

But the Mission was also keenly aware that once the question of future status is resolved Palau will stand on its own both in determining its national budgetary priorities and in seeking to attract international capital and investment. Order 3142, therefore, should be seen as a means to an end, and not as an end in itself. I am sure that everyone would agree that the underlying aim should not be to perpetuate unnecessary conflict between the Government of Palau and the Administering Authority, but rather to resolve matters on the spot in a responsible way so that the provisions of the Order, and especially those regarding the suspension of legislation or disallowances of borrowing, will not need to be used in future.

What flows from that is the unanimous view of Mission members, expressed in their report, that all those concerned need to consider very carefully ways of strengthening arrangements for authoritative and on-the-spot consultation between Government representatives and the representatives of the Administering Authority, so as to find practical ways of satisfying the requirements of the Order without bringing the full weight of the Order's provisions to bear. I very much hope that this aspect can be looked at urgently, because I think it is fair to say that all members of the Mission attach some importance to it.

Finally, and perhaps most important of all, there is the crucial question of economic development and economic self-reliance. Again, this is an issue which the Government of Palau will of course have to face whatever its political status. It is a small Territory with limited resources, but clearly there is much scope for greater utilization of the advantages that Palau

(Mr. Richardson, Chairman, Visiting Mission)

already enjoys. I was pleased to hear the Minister of State, Mr. Olikong, touch on the same point in his statement this morning. I am thinking in particular, of course, of the prospects for fishing and the tourist industry.

I believe that over the years ahead action is going to be needed on both the revenue side and the expenditure side. On the revenue side, it seems to my delegation that there is need for greater development of local revenue-producing resources, so that more funds can accrue to the national Government. This in turn will both enhance Palau's self-reliance and reduce its aid-dependence.

On the expenditure side, it would be our humble suggestion that a fresh look be taken at the staffing and pay levels of the public sector in Palau. I recognize that there are no easy solutions, but some way must be found, I think, of creating headroom, both for a greater development of the private sector and - here, I admit, I touch on a problem which is essentially domestic - for some reorientation of Government expenditure to help much-needed small-scale capital development projects and social and educational programmes in the outlying states, whose problems were very vividly impressed on us throughout our stay.

I can well understand the pressures for wage levels in the public sector comparable to those of neighbouring Territories in the Pacific and indeed to those of the United States itself, but such pressures carry with them the great risk of a further increase in current spending and of Palau becoming more aid-dependent instead of less aid-dependent in the years ahead.

(Mr. Richardson, Chairman, Visiting Mission)

In this context, and although it may seem a technicality, I welcome the proposal to transform Palau's past debts into a consolidated loan arrangement so that there would be a greater degree of predictability in forecasting future requirements to service the loan.

The Mission, of course, covered a much wider range of issues, all of which are set out in our report: health, education, the state of the hospitals, social programmes, labour - the whole gamut of Palau's life. I only wanted in these introductory remarks to touch, as I said, on what seemed to me three major issues.

I think all of us will always remember the warmth of our reception, the frankness of all our discussions in Palau and, of course, the sheer beauty of the country. I think also that Palau has made great strides. I wish it all success in overcoming what I sincerely hope are now the final hurdles. I think that all members of the Palauan delegation know that they have made many friends here, and we hope that in the not-too-distant future we shall have the pleasure of welcoming a Palauan representative to the United Nations in our midst.

The PRESIDENT (interpretation from French): As there are no further speakers at this time, I would suggest that the Council continue consideration of this item at its meeting to be held tomorrow.

The meeting rose at 12.25 p.m.

UNITED
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Fifty-ninth session

VERBATIM RECORD OF THE 1692nd MEETING

Held at Headquarters, New York,
on Wednesday, 27 May 1992, at 10.30 a.m.

President: Mr. FELIX-PAGANON (France)

- Examination of the annual report of the Administrative Authority for the year ended 30 September 1991: Trust Territory of the Pacific Islands (continued)

  - Hearing of petitioner

- Dissemination of information on the United Nations and the International Trusteeship System in Trust Territories: report of the Secretary-General (Trusteeship Council resolution 36 (III) and General Assembly resolution 754 (VIII))

- Examination of petitions

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Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

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- Offers by Member States of study and training facilities for inhabitants of Trust Territories: report of the Secretary-General

- Organization of work

- Report of the United Nations Visiting Mission to Palau, Trust Territory of the Pacific Islands, March 1992 (continued)

- Appointment of the Drafting Committee

- Organization of work

The meeting was called to order at 11 a.m.

EXAMINATION OF THE ANNUAL REPORT OF THE ADMINISTERING AUTHORITY FOR THE YEAR ENDED 30 SEPTEMBER 1991: TRUST TERRITORY OF THE PACIFIC ISLANDS (T/1962*) (continued)

- HEARING OF PETITIONER

The PRESIDENT (interpretation from French): As agreed at yesterday morning's meeting, we shall now hear the petitioner whose request for a hearing is contained in document T/PET.10/759.

Mr. Thomas Renguel will make a statement on behalf of Otil a Belaud.

At the invitation of the President, Mr. Thomas Renguel took a place at the petitioner's table.

The PRESIDENT (interpretation from French): I now call on Mr. Renguel.

Mr. RENGUEL: We would like to thank you, Mr. President, and the other members of the Trusteeship Council for the opportunity to present this petition today. My name is Thomas Renguel. I represent Otil a Belaud, a group of Palauan citizens concerned about the future of Palau. Accompanying me are Sara Rios and Anne Simon from the Center for Constitutional Rights.

We would like to express our appreciation to the Trusteeship Council for the efforts of the Visiting Mission that came to Palau in March of this year. We are particularly grateful for the opportunity we had to express our concerns in a public meeting with the members of the Visiting Mission. We

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* Reissued for technical reasons.

(Mr. Renguel)

believe that the Visiting Mission saw first hand the vulnerability of our small islands, especially the delicate coral reefs which are the means of our livelihood. We hope that you, Mr. President, and the other members of the Trusteeship Council will take to heart the importance to us of strong policies for the protection of our environment, our home.

We are hopeful that the decision of President Bush to attend the "Earth Summit" meeting of the United Nations Conference on Environment and Development (UNCED) in Brazil next month is an indication that the Administering Authority will make a commitment to support a just, environmentally conscious and ecologically sound future for the entire world, as we are trying to do on a small scale in our islands of Palau. For us, citizens of islands in a vast ocean, environmental problems such as impending climate change are not abstract, or secondary, or something that require, further study: they are a direct threat to our livelihoods, and potentially to our very existence. It is vitally important to us that all nations recognize this threat and take serious steps to end it.

We also remain concerned about the continuing threat to us and to all other peoples posed by nuclear weapons. We are grateful for the continuing efforts of the nations possessing nuclear weapons to reduce the numbers of those weapons and to guard against their use; we hope that even more rapid progress will be made in the near future.

(Mr. Renguel)

Regretfully, we must note that our efforts in Palau to keep our own country nuclear-free have not received the respect and support from the Administering Authority that they are due. As you, Mr. President, and the members of the Trusteeship Council are aware, the process of ending the Trusteeship for Palau has continued to founder because of the demands of the Administering Authority for unlimited military access to the land and waters of Palau.

On seven occasions in the past 11 years, Palauans have rejected the proposed Compact of Free Association, which contains provisions for unrestricted United States military access as the basis for our post-Trusteeship status. The Compact proposed has failed because it has not obtained the 75 per cent majority vote mandated by our Constitution, which was overwhelmingly adopted by our citizens. Despite this clear message from Palauans, the Administering Authority has not yet adjusted its Compact position to reflect the military realities of the post-Cold War world. The elaborate military provisions of the current Compact proposal, embodied in its Title III, are simply obsolete. We do not want our post-Trusteeship relationship with the United States to be based on such a militarized, backward-looking view of the world.

We continue to pay a high price for the intransigence of the Administering Authority on the proposed Compact. We would like to bring to the attention of the Trusteeship Council Palau Executive Order No. 111, recently signed by our President. This Executive Order sets up a referendum on amending our Constitution to make it easier to adopt the same Compact of Free Association that we have already rejected seven times.

(Mr. Renguel)

We are deeply concerned that our leadership, as well as many Palauan citizens, has come to believe that mutilating our democratically drafted and chosen Constitution is a necessary price to pay for agreeing to the Administering Authority's current proposal for free association. This unfortunate and dangerous situation has been fostered by our ignorance of other possible status options and how to obtain them, as well as by fear of being cut off from United States financial assistance, on which we - like so many colonized peoples around the world - have become dependent. Technical assistance and information about efficient and sustainable fisheries, agriculture and other forms of trade will be of much more use to us than another referendum about our political status. What we need are the tools for building a strong economic base on our own resources, not imported needs and resources.

Moreover, serious questions have been raised about the validity of the petition for an amendment vote on which the Executive Order is based. We believe that this Council should be aware that the validity of many of these signatures on the petition has been questioned. Although the petition signatures were validated by our Election Commissioner, it now appears that this was done in haste, without the examination and investigations necessary for an accurate determination. The Olbiil Era Kelulau (OEK), Palau's National Congress, is considering the creation of an investigative commission to look into the problems of validity of the petition. An additional question is the legality of the Executive Order's unilateral assertions that the President will reprogram funds already appropriated by the OEK for other purposes, in order to pay for the referendum on the constitutional amendment.

(Mr. Renguel)

Our concern about the Executive Order is heightened by our experience of the horrifying period in 1987 in which voting on a constitutional amendment and on the Compact, and subsequent legal challenges to those referenda, were accompanied by a shocking level of lawlessness and violence. We are now recalling that period especially vividly, as the trial of people accused of the murder of Bedor is in progress in Palau. We hope that our legal system will meet the challenge of obtaining justice in that case. We also hope that we will never see a repetition of that kind of violence and breakdown of law and order.

The current trial, as well as the upcoming trial of people accused of assassinating our first President, Haruo Remeliik, highlights another reason that we are concerned, and believe that members of this Council should be concerned, about the possibility of a quick vote on the constitutional amendment, followed by a quick vote on the Compact. A rapid severing of our Trusteeship connections would remove our political process from the general oversight and assistance of this Council, before we have learned how to combat and prevent corruption and illegality in government.

After all, the concept of democracy, for which we are deeply grateful, was introduced into Palau only with the advent of the Trusteeship; we have had democratic government only since our Constitution went into effect in 1981. We have had problems, documented by the 1989 report of the Administering Authority's General Accounting Office, and acknowledged by many Palauans, with corruption and illegality in some of the actions of our Government. We need some more time to learn how to get it right, so that we do not follow the unfortunate path of many other new democracies, where democratic forms have

(Mr. Rengul)

been subverted and destroyed because the people were unable to nurture and defend them.

We ask the Trusteeship Council:

First, not to send an observation team, if one is requested, to observe any constitutional amendment vote based on Executive Order 111, or any subsequent vote on the Compact of Free Association based on such an amendment vote, unless the serious legal, political and moral questions raised by the Executive Order and the amendment proposal have been fully resolved through Palau's constitutional and legal processes;

Secondly, to urge the Administering Authority not to make available to Palau additional federal funds nor to allow the reprogramming of existing federal funds, for any constitutional amendment vote based on Executive Order 111, or any subsequent vote on the Compact of Free Association based on such an amendment vote, unless the serious legal, political and moral questions raised by the Executive Order and the amendment proposal have been fully resolved through Palau's constitutional and legal processes;

Thirdly, to await the conclusion of all constitutional and legal processes in Palau before accepting or acting on any claim by the Administering Authority that our Constitution has been amended, or that the proposed Compact of Free Association has been ratified;

Fourthly, to urge the Administering Authority to review its position on the terms of the proposed Compact of Free Association, beginning with serious consideration of the proposals for revisions made by the recent Palau Working Group, and expressly including consideration of the elimination of the military requirements set forth in the current Title III and related subsidiary agreements;

(Mr. Renguel)

Fifthly, to help make available to Palau expertise of agencies and bodies of the United Nations to assist with environmentally sound and sustainable development of resources, as Palauans identify their economic and environmental needs;

Lastly, to urge the Administering Authority to make freely available to Palau technical assistance and expertise to assist with environmentally sound, sustainable development of resources, as Palauans identify their economic and environmental needs.

(Mr. Renguel)

In conclusion, we note in the news that 50,000 Amerasian children have been left behind in the Philippines in the wake of the closing of Clark air base and the Subic Bay naval base maintained by the United States. We hear of displaced people, refugees and others who suffer because of the evils of war and military takeovers. We have learned our lessons around the world; please let us not repeat the mistakes. We must all come together as one people around the world to respect and safeguard each other's lives and boundaries as wonderful gifts from creation and from God.

The PRESIDENT (interpretation from French): Since no member of the Council wishes to put questions to the petitioner, he may now withdraw.

The petitioner withdrew.

The PRESIDENT (interpretation from French): Does any member wish to put questions to the representatives of the Administering Authority? Since that does not appear to be the case, I suggest that we continue consideration of this item at our next meeting.

DISSEMINATION OF INFORMATION ON THE UNITED NATIONS AND THE INTERNATIONAL TRUSTEESHIP SYSTEM IN TRUST TERRITORIES: REPORT OF THE SECRETARY-GENERAL (TRUSTEESHIP COUNCIL RESOLUTION 36 (III) AND GENERAL ASSEMBLY RESOLUTION 754 (VIII)) (T/1966)

The PRESIDENT (interpretation from French): To introduce the report of the Secretary-General contained in document T/1966, I should like at this stage to call on Mr. Mustapha Tlili, representative of the Department of Public Information of the Secretariat. Mr. Tlili will make a statement on the activities of the United Nations relating to dissemination of information on the United Nations and the International Trusteeship System in the Trust Territory of the Pacific Islands.

Mr. TLILI (Department of Public Information): Members of the Council have before them the report of the Secretary-General on dissemination of information on the United Nations and the International Trusteeship System in the Trust Territory of the Pacific Islands (T/1966). I am very pleased to have this opportunity to introduce the report and to highlight its main points.

The report covers the period 1 May 1991 to 30 April 1992. During that period the Department of Public Information, taking into account the observations made in the Council at its last session and acting in cooperation with the Department of Political Affairs and the Office of Conference Services, continued its efforts to enlighten the people of the Trust Territory of Palau about their right to self-determination and to inform them on the aims and objectives of the International Trusteeship System of the United Nations. Those efforts are reflected in the report. The Secretary-General explains the mechanisms for the dissemination of information: direct mailing by Headquarters and the mailing of information materials through the United Nations Information Centre at Tokyo.

Members of the Council will also find in the report, and particularly in its annex, details on the nature and quantity of the information materials mailed to the people of Palau. The fields covered include, in alphabetical order: Africa, apartheid, decolonization, development, disarmament, human rights, Palestinian rights, peace-keeping, social affairs and messages and reports of the Secretary-General. In addition to printed materials there were also radio programmes, video cassettes and posters.

Among the materials sent to the Territory from Headquarters it is important to underline the documents of the Trusteeship Council, which were mailed directly to 79 recipients. Those documents included the verbatim

(Mr. Tlili)

records of the fifty-eighth session of the Council. In addition, during the period covered by this report the Department of Public Information produced 10 press releases in English and 10 in French dealing with the work of the Council.

I mentioned earlier that the information activities of the Department during the review period were aimed at enlightening the people of the Trust Territory about their right to self-determination. This is particularly demonstrated in some of the radio programmes disseminated to the Territory through WSZB radio station in Koror. Those programmes were produced under the following titles: "Trusteeship Council debates situation in Palau", a two part programme on "The situation of the United States Trust Territory of Palau in the Pacific region", and "The organs of the United Nations: the Trusteeship Council, its powers and functions". The right to self-determination is also the subject of a number of United Nations publications, such as the quarterly magazine UN Chronicle; the Yearbook of the United Nations, which is now in the production stage; the booklet published by the Department of Public Information, Objective: Justice - Special Issue on Decolonization, volume 22, number 2 of December 1990 (DPI/1108); and the Department's book Decolonization: The Task Ahead - Profiles of 18 Trust and Non-Self-Governing Territories (DPI/1109), produced in 1991.

Regarding feedback, in 1991 the Department of Public Information sent out a questionnaire to 79 recipients in the Trust Territory by direct mail. I regret to say that the response rate has been very poor. A second mailing is planned for 1992, in consultation with the other units of the Secretariat that send information directly to Palau.

(Mr. Tlili)

The Secretary-General also reports that owing to insufficient funds for travel neither the Director of the United Nations Information Centre at Tokyo nor any other representative of the Centre was able to visit the Trust Territory during the period under review.

(spoke in French)

Those are the main points of the report of the Secretary-General.

The PRESIDENT (interpretation from French): I shall now call on members who wish to make comments on the report of the Secretary-General.

Mr. BEREZOVSKY (Russian Federation) (interpretation from Russian): As this is my first statement during the current session, I should like first of all, Sir, to congratulate you on your election to the responsible post of President of the Council. I wish also to congratulate Mr. Thomas Richardson on his election to the post of Vice-President, and to thank him for his work thus far.

We are confident that our work under your guidance, Mr. President, will be just as effective; that confidence is born of the fact that you performed so well as Vice-President of the Trusteeship Council. You were extremely active in that post, which is a guarantee that you will continue actively to carry out work of high quality.

(Mr. Berezovsky, Russian Federation)

I should also like to take this opportunity to welcome here the delegation of the Administering Authority in Palau and the delegation of Palau, which so gladly and warmly welcomed the Visiting Mission to its home. I thank them on behalf of the delegation of the Russian Federation for their welcome and the cooperation they displayed during the Mission. For our part, we should like to assure you, Sir, that our delegation will make every effort to ensure the effectiveness of the work of this session and to cooperate with you and the other members of the Council.

I turn now to the report of the Secretary-General submitted to us at this meeting on the dissemination of information in the Trust Territory. Before I give any definitive opinion on the efforts of the Department of Public Information (DPI) to disseminate publications and information of the United Nations in the Trust Territory, I should like to ask the DPI representative a few questions in connection with the report.

First, the report states that most materials were distributed to the Trust Territory through the Information Centre at Tokyo. My questions are: Does DPI have information as to when and how the materials were sent to the Trust Territory? What was the time frame for this distribution? Does DPI receive information from the Information Centre at Tokyo as to whether the information materials sent from Headquarters were received? I do not ask this question lightly, because I do have grounds for expressing concern on the shortcomings of distribution of information in the Trust Territory. I am certain that there is a lack of information.

The PRESIDENT (interpretation from French): I call on the representative of the Department of Public Information.

Mr. TLILI (Department of Public Information) (interpretation from French): To the best of my knowledge, I can only say at this stage that over the year the United Nations Information Centre at Tokyo sends documentation on the various topics referred to in the report to the people of the Territory. We have a complete list of the recipients of that documentation. This was done in 1991. For our part, in the course of the same year, we also sent documentation sometime around March.

The representative of the Russian Federation asked a question that is of some concern to us, too, regarding the response: that is, what impact this documentation has; whether it is received; what effect it has; and whether this effect can be gauged. Obviously, from that standpoint we have very little information. We have attempted, by sending out a questionnaire - which I in fact have before me and will be pleased to make available to members of the Council - to ask a number of detailed questions concerning the effectiveness and impact of this documentation. It enquires into whether the documentation is received and whether it needs to be reviewed in any way. But we have had only two replies in all.

There can be no doubt that the United Nations Information Centre follows the same methodology. It sent out the same questionnaire to the people of the Territory, to the various organizations and recipients, but there has been no reply from them. Hence, we find ourselves in a vicious circle. Undoubtedly, if the Department had the necessary funds to use more effective methods, we would have different results. But in the present situation we are limited by these constraints. In all sincerity, and to reply directly to the question of the representative of the Russian Federation, we are not currently in a position to determine the precise effect of all our efforts.

Mr. ZHANG Yan (China) (interpretation from Chinese): As I am speaking here for the first time, Sir, I wish to take this opportunity to congratulate you on your assumption of the presidency of the Council for the current session. We trust that under your guidance our work will be fruitful. I also wish to thank your predecessor, Mr. Richardson, for his outstanding efforts and to congratulate him on his election as Vice-President for this session.

I welcome the delegation of the Administering Authority and the representatives of Palau. Their presence and their contributions will be very useful to us. We thank the representatives of Palau, and, through them, the Administering Authority, for their warm welcome to the United Nations Visiting Mission to Palau in March. On his return from the visit my colleague, who was a member of the Mission and has now returned to Beijing, told us that it had made a deep impression on him.

We also take this opportunity to express our grief over the passing of the Chief Justice, Mr. Nakamura.

We have no specific comments on the report of the Secretary-General on the dissemination of information on the United Nations and the International Trusteeship System, and we have no objections, but we wish briefly to share our views on the matter.

Having gone through the report, and having heard the briefing given by the Secretariat official, we have reached a more comprehensive understanding of the work done by the Department of Public Information. The report reflects the fact that the United Nations has done a great deal of work for many years, through the dissemination of information and news in this area, and has made a positive contribution to better implementation of the Trusteeship Agreement

(Mr. Zhang Yan, China)

and operation of the rules and regulations concerning the Trusteeship System. The Chinese delegation wishes to express its appreciation in this regard.

Of course, the tasks of the trusteeship remain unfulfilled, and therefore, as a Department with an important part to play in the dissemination of information on the United Nations, the Department of Public Information needs further to strengthen its efforts in this regard, to contribute to the early completion of the trusteeship tasks.

Paragraph 9 of the report talks about feedback from the recipients of United Nations information. One can see from the paragraph that it has not been very clear. In our view, a poor performance in this area will adversely affect the Department in its efforts to disseminate information. Therefore, we should like to know what specific ideas the Department has to improve its work in this area so that it can be better informed about its own efforts and their effects and discover any shortcomings, so that a further improvement may be made. Has the Department specific ideas for improving its work and the feedback, so as to help improve its efforts in this area?

The PRESIDENT (interpretation from French): Before I call on Mr. Tlili, I should like to know whether there are any other questions, so that Mr. Tlili may reply to all of them in a single statement.

Mr. BEREZOVSKY (Russian Federation) (interpretation from Russian): I asked my first question because, having been a member of the Visiting Mission to Palau, I was interested to know how information on decolonization

(Mr. Berezovsky, Russian Federation)

and the United Nations was being disseminated in that Territory. I must say that materials containing such information are available in the Palau centre, in Koror. This may not be true of other islands that are rather remote. For example, I was told that in Peleliu, where I took an interest in these matters, there was no recent information about the United Nations or its work.

(Mr. Berezovsky, Russian Federation)

However, I should like to clarify my question by explaining why I have asked it. There is an indication that things are not going entirely well in this particular field. Perhaps there are some methods of which I am unaware by which one could find a quick answer to the question of whether such information actually reaches those for whom it is intended or whether it is held up in some way. Perhaps the obstacles are purely internal. Clearly, we shall have to seek further clarification from the Palauan representatives. In any event, the situation must be borne in mind and, if possible, corrected.

The Trusteeship Council will of course be interested not only in knowing whether certain information physically reaches the recipients but also in finding out what use is made of it in the Territory. As I understand it, the Department of Public Information (DPI) has sent a questionnaire to the Trust Territory for that very purpose. I appreciate that the financial situation makes it impossible for the United Nations to send representatives on frequent fact-finding missions. We note from the report that representatives of the United Nations Information Centre in Tokyo have not been to the Territory for some time. Obviously, we might go into the question of a visit - perhaps not yearly, but at least once every two or three years - to the Trust Territory, in Palau, by representatives of the Tokyo Information Centre in order to find out on the spot how productive the work of the United Nations, and particularly the work of the Tokyo Information Centre, is.

The PRESIDENT (interpretation from French): I call on Mr. Tlili of the Department of Public Information to reply to the questions that have been asked.

Mr. TLILI (Department of Public Information): In all sincerity, we share all the concerns that have been expressed today by both the

(Mr. Tlili)

representative of China and the representative of the Russian Federation. Yes, we know that there is something wrong with the means of disseminating information to the Trust Territory, in Palau. We do not know whether the documentation we are sending to the Trust Territory does in fact actually reach the recipients. We do not know exactly what use is made of the publications and other information materials. Scientifically speaking, the only way to measure its impact would be for us to have some feedback, and we do not have such feedback. We devised a questionnaire on the basis of a list provided by the Department of Political Affairs, and the response to it has been very poor.

How can the situation be remedied? First, I would like to say that we would be very grateful to the members of the Trusteeship Council for any specific ideas they might have that might help us, taking into account the fact that we do not have funds to undertake concrete measures to find out what is happening. We would also be grateful if the Administering Authority could give us some of their ideas on how to reach the people of the Territory through other lists it might have.

The representative of the Russian Federation mentioned the possibility that the Director of the Information Centre in Tokyo might go to the Trust Territory, if not every year, at least every two or three years. That is something that would require serious consideration by the Department to see to what extent some financial provision might be made so that that could happen. Certainly, that would be one of the most efficient ways to find out on the spot what is happening to the documentation we are sending and that other Departments in the Secretariat - I mentioned the Office of Conference Services - are sending. I should also be grateful for the suggestions of

(Mr. Tlili)

members of the Council and for their support in the budgetary organs of the United Nations so that we might make financial provisions to correct the situation and to come up with more positive answers to this question.

Mr. RICHARDSON (United Kingdom): I had not really intended to speak on this agenda item, but I am developing a slight sense of unease, one I have had in previous years when this same subject has been discussed. I fear that, unless there is greater feedback in one form or another from Palauans themselves, this activity of the Department of Public Information (DPI) will risk degenerating into what I might call a random mailing operation. That causes me some concern.

Looking through the annex to the report in document T/1966, while clearly a lot of the material that is being distributed in Palau is of direct relevance and interest to the region and to Palau itself, I have a suspicion that one or two items may be regarded as somewhat peripheral. All I am really suggesting is that if the second mailing of the questionnaire - which I see from paragraph 9 of the report is planned for this year - likewise fails to elicit any very large return of responses from Palauan citizens, then it does seem to me that at some stage there is a case for DPI's self-reviewing the level of its activities.

The PRESIDENT (interpretation from French): I am sure that the Secretariat will duly take note of the various comments that have been made. If there are no further speakers on this agenda item, and if I hear no objections, I shall take it that the Council decides to take note of the report of the Secretary-General in document T/1966.

It was so decided.

EXAMINATION OF PETITIONS (T/INF/40)

The PRESIDENT (interpretation from French): Members of the Council will recall that in 1988 we decided to request the Secretariat to publish a list of communications and petitions received with a summary of the contents contained therein, instead of reproducing the full texts of these documents. This list is contained in document T/INF/40. As agreed at our meeting yesterday, we shall now begin consideration of these communications and petitions.

Does any member wish to comment on the communications contained in document T/INF/40?

Since that does not appear to be the case, I propose that the Council take note of communications 1, 3 and 4 - as I understand that the document now before us will be revised.

It was so decided.

OFFERS BY MEMBER STATES OF STUDY AND TRAINING FACILITIES FOR INHABITANTS OF TRUST TERRITORIES: REPORT OF THE SECRETARY-GENERAL (T/1965)

The PRESIDENT (interpretation from French): Does any member wish to make comments or a statement on the report of the Secretary-General on this item?

Since that does not appear to be the case, I suggest that, as it did in regard to the report on the previous item, the Council decide to take note of the report of the Secretary-General in document T/1965.

It was so decided.

ORGANIZATION OF WORK

The PRESIDENT (interpretation from French): In order to expedite its work the Council could, if members agree, take up at its meeting tomorrow agenda items 9 and 10, which deal, respectively, with cooperation with the

(The President)

Committee on the Elimination of Racial Discrimination and the Second Decade to Combat Racism and Racial Discrimination. Under the programme of work we adopted at our first meeting, those items were to be taken up at our meeting on Friday, 29 May. If there is no objection, I propose that we take up these two items tomorrow, Thursday, 28 May, and that, in keeping with previous practice, the Council consider them together.

It was so decided.

The PRESIDENT (interpretation from French): For the same reason, the Council could also take up at the meeting tomorrow items 11 and 12, which deal, respectively, with attainment of self-government or independence by Trust Territories and cooperation with the Special Committee on the Situation with Regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

If I hear no objection, I shall take it that members of the Council agree that we should proceed in that way and that, in keeping with previous practice, the Council should examine these two items together.

It was so decided.

REPORT OF THE UNITED NATIONS VISITING MISSION TO PALAU, TRUST TERRITORY OF THE PACIFIC ISLANDS, MARCH 1992 (T/1964) (continued)

Mrs. TAHIR-KHELI (United States of America): As I noted in my opening statement yesterday, the United States found the Visiting Mission to Palau to be an informative and useful exercise. We were pleased that Council representatives without previous exposure to Palau had the opportunity to become familiar with Palau's people and the political-economic-social structure there. We were also appreciative of the efforts which the Palau Government exerted to host and plan the visit. Certainly Minister Olikong and

(Mrs. Tahir-Kheli, United States)

his staff displayed considerable diplomatic skill in organising the visit and in making available complete information to the Mission. In his opening statement yesterday, Minister Olikong mentioned that Palauans had not had any formal diplomatic training. But the manner in which he and his staff prepared this particular visit demonstrates that Palauan officials know how to deal with diplomats skilfully and can handle diplomatic situations with aplomb.

Two consistent themes appeared in the three opening statements yesterday of the United States delegation and in the Mission report: Palau has outgrown its present institutional status; and the trusteeship, which has served its purpose, is now an anachronism. We all recognize that the time has come for a change.

As the Mission report notes, some in Palau have urged the Trusteeship Council to assume a more active role in the effort to identify a solution to the political-status issue. Paragraph 39 reports the suggestion that the day may be approaching when it will be appropriate for the Security Council to amend the Trusteeship Agreement by inserting a provision which would "set an irrevocable date for termination of the trusteeship" (T/1964, para. 39). The Mission report stops short of suggesting such action; but it provides an assurance that the Council will continue to fulfil its responsibilities conscientiously for as long as the Trusteeship Agreement remains in force. We welcome that assurance, and I am confident that the Palauans do as well.

While I shall leave to Assistant Secretary Guerra the responsibility for dealing with many aspects of the implementation of Secretary's Order 3142, I do wish to address in some detail paragraph 11 of the Order, which deals with Palau's international contacts. This was also a subject to which Minister Olikong devoted some attention yesterday.

(Mrs. Tahir-Kheli, United States)

The United States fully understands that the restraints on international contacts are a source of frustration to Palau. We have made a special effort to mitigate that frustration by replying promptly and fully to Palau's requests to participate in international meetings and, with rare exceptions, we have approved Palau's participation without delay. With the full concurrence and support of the United States, Palauans have travelled far and wide in order to participate in a variety of international forums during the past year. In this sense, we have met fully the suggestion in paragraph 114 of the Mission report to prepare Palau for the day when it will assume responsibility for its own international representation.

But we do not believe that it is advisable at this point for Palau to appear on the international scene as a full member of the international community. As a Trust Territory, Palau has no standing in international law to conduct its own relations with foreign nations other than through the Administering Authority. Participation by Palau as if it were a fully sovereign State would lead to confusion on the part of many countries which may not be familiar with Palau's unique status as a Trust Territory. Members of the Council will recall that there were some uncertainties about the international status of the two freely associated States even after the implementation of their Compacts. Fortunately, those uncertainties have been successfully resolved and both the Federated States of Micronesia and the Republic of the Marshall Islands are now full Members of the United Nations. The Vice-President of this Council stated yesterday that he looks forward to the admission of Palau to the United Nations, a step which must await resolution of Palau's status.

(Mrs. Tahir-Kheli, United States)

Until that welcome day arrives, it is necessary for Palau to appear on the international scene as a Trust Territory. We are quite prepared to work out suitable arrangments in order to permit Palau to participate in such important events as the United Nations Conference on Environment and Development, and in that case we have proposed a solution which we believe is in accord with Palau's status. Travel by Palau's President, however, in a manner which would make him appear to be the Head of an independent State is not appropriate.

The Mission report, in paragraph 110, expresses the hope that the impasse on the status issue can be resolved speedily so that termination of the Trusteeship Agreement can proceed. Minister Olikong agreed with that objective but expressed disappointment that the United States had been unable to respond more favourably to the requests of the Palauan leadership. While the members of the Council might prefer not to become involved in the details of the exchange between Palau and the United States on this issue, I would like to stress that the six-month period during which the United States considered and formulated a response to the Palauan letter is indicative of the seriousness with which the United States addressed the issues raised by Palau. Significant developments had occurred during the previous year, particularly the decision to withdraw United States forces from bases in the Philippine islands. That change in the overall strategic situation in the Pacific required that we review Palau's proposals carefully.

Far from being a summary rejection of the Palauan requests, the United States response addressed those questions in some detail and provided an interpretation of the proposed Compact which we hoped would be quite reassuring to the Palauan Government and to Palauan voters. As my

(Mrs. Tahir-Kheli, United States)

predecessors here have stated on several occasions, the United States has no intention of establishing military facilities in Palau. That point is covered in considerable detail in the 7 April letter from my Government.

While there are other areas of the Visiting Mission report which I could discuss, I think it is best to limit my comments at this point to Palau's future status and its role on the international scene. I think it is encouraging that all members of this Council, as well as Palau and the Administering Authority, are in full agreement with the objective of early resolution of Palau's status. This provides a sound basis for proceeding, both during the present deliberations of this Council and in further discussions between Palau and the United States.

Ms. GUERRA (Special Adviser): I wish to complement the United Nations Visiting Mission for its diligent work in Palau and for its valuable report on its findings. Also, I must congratulate Ambassador Richardson of the United Kingdom for his excellent synopsis of the report yesterday.

I have a few comments on several of the issues raised in the conclusions and recommendations of the report.

With regard to Secretary's Order No. 3142, the Mission stated, first, that Palau's past debts must be duly paid. We agree. Secondly, the Mission stated that there may have been

> "a misunderstanding of parts of the Order, or insufficiently close day-to-day consultations". (T/1964, para. 113)

Again, we agree. Eighteen months ago the position of the Director of the Palau Office of the Trust Territory was filled, with the specific intent of improving coordination and cooperation between Palau and the United States Department of the Interior. We believe that the working relationship is much

(Ms. Guerra, Special Adviser)

improved. In addition, personnel from our Washington office travel frequently to Palau to consult and assist.

In order to improve consultation on the budget issue, I sent a staff member to Palau in early May. The discussions led to the enactment of Republic of Palau Public Law 3-70. The bill is significant in that it provides the groundwork for greatly improved financial responsibility in Palau and for avoiding budget suspensions in the future. The bill provides authorization for a loan to pay off past debts and a system for eliminating deficits that could otherwise give rise to future prior-year debts, and $213,000 was appropriated in a supplemental, out of $1.621 million projected to be available. That responsible action leaves $1.4 million should an emergency arise.

While the Department of the Interior would have preferred the stronger language offered by President Etpison with regard to two provisions in the bill, we defer to the Olbiil Era Kelulau, assuming the fiscal system proves viable.

Last fall a number of road projects were suspended for lack of funds. I stated then that if monies were available in August or September 1992 I would be glad to see the road projects funded. Assuming good budget execution during the remainder of this fiscal year, I stand by that statement. Good budget execution is, of course, the responsibility of the executive branch. If, however, the Olbiil Era Kelulau wants to make sure that the funds are available for roads it will make good budget execution its priority too.

Recent actions in both the executive and the legislative branches have set the stage for greatly improved financial management. Current dialogue and revenue reports from Palau are evidence that the improved processes are

(Ms. Guerra, Special Adviser)

already in place and working. We look forward to being able to avoid budget suspensions in the future.

This brings us to the Visiting Mission's third point regarding Secretary's Order No. 3142, that

"over time the need for the Order, or at any rate for the activation of its suspension provisions" (para. 114)

will fade away. We believe that, with regard to budget suspensions, we may be at the fade-away point now. The next six months will tell. We are optimistic that budget suspensions may already be a thing of the past.

The Mission suggests that infrastructre, including roads and electricity, is inadequate on Babelthuap. Realizing the same need, the Administering Authority this month allotted $2.6 million for Koror and Babelthuap bridge repairs and repairs to causeways and the airport access road. The United States civic action teams in Palau will continue to concentrate their efforts on pioneering road construction on Babelthuap. This will not only open up that island to permit agricultural pursuits, but at the same time will spearhead the extension of power, water, telecommunications and future paved highways. Additionally, we believe that the Master Plan, with its financial component, will point the way towards funding desired infrastructure projects.

The Mission said that it was alleged by some leaders that development projects have been withheld pending a final Master Plan. That is not true. I wrote to President Etpison several months ago with specific reference to the proposed airport. I said that, while the Master Plan would be helpful, I would not delay approval of projects while we await completion of the Master Plan.

(Ms. Guerra, Special Adviser)

The Mission also urged greater emphasis on career training and opportunities for Palauan nationals in the tourist sector. Here again, it is anticipated that the Master Plan will recommend the levels of tourism and associated training necessary for Palauans to compete effectively in the tourist industry. It is possible that the Plan could recommend legislation requiring that a percentage of Palauans be hired and trained by foreign investors. Such issues could be addressed in the Master Plan as ways to maximize employment opportunities for Palauans.

The Mission noted an apparent lack of statistics for marine resources. A fairly comprehensive report was recently issued by the Palau Division of Marine Resources and Conservation. We will provide the Council with a copy. We believe that the report will allay some of the Mission's concerns.

The Mission suggests that additional funds be found to improve the maintenance of schools, especially in the outlying areas. The Administering Authority has consistently insisted that additional dollars from the United States be allocated to education, which is a trusteeship responsibility of the United States. We are pleased that the Mission is concerned, as we are, with the adequate funding of education. In this regard, we are pleased to inform the Council that, just this month, more than $2 million of United States capital improvement funding was allotted to the Palau Government for classroom repairs and construction.

If I may, I should like to address two other issues that have been raised in these deliberations. First, the Administering Authority notes the concern regarding Interior's continued sponsorship of the Interim Special Prosecutor in Palau. I must assure the Council and Palau of Interior's unflagging

(Ms. Guerra, Special Adviser)

support for this office. To that end, I believe that we will be able to reach agreement with the current Special Prosecutor for extension of his contract. If, however, no agreement is reached, a replacement will be found. The Administering Authority is very concerned with law and order. Please be assured that the cases brought before the Palau courts will be prosecuted.

On the issue of construction permits for development projects, I must state emphatically that the United States will not preside over the degradation of the unsurpassed environment in Palau. Lengthy consideration is required for those projects that may have potential and substantial adverse effects on Palau's natural environment. Environmental impact statements may be required that address mitigating action, particularly where wetland and the fragile ecology of the reef areas may be damaged or destroyed. For smaller projects, however, with little potential for such damage, the process is quite speedy. For example, the Melekeok-Ngiwal causeway permit was processed in approximately one year.

We appreciate the wise counsel provided by the Visiting Mission. We believe that, together, Palau and the United States will be able to implement most of the Mission's thoughtful recommendations. Initiatives over the past several months demonstrate that coordinated actions by Palau and the United States bring results beneficial to all the people of Palau.

The PRESIDENT (interpretation from French): If there are no further speakers, I suggest that the Council continue consideration of this item at its next meeting.

APPOINTMENT OF THE DRAFTING COMMITTEE

The PRESIDENT (interpretation from French): I understand that, in the course of informal consultations, the Council agreed, in accordance with

(The President)

its usual practice, to appoint the Vice-President of our Council to preside over the work of the Drafting Committee. I also understand the Vice-President intends to hold a first meeting of informal consultations with all interested delegations tomorrow afternoon, in order to have a prelimary exchange of views on the Council's draft recommendations. I further understand that consultations are to continue so as to determine the final composition of the Drafting Committee, which could be announced at our meeting tomorrow. Finally, as provided in our agenda, the Drafting Committee can hold its first official meeting following the general debate, that is, on Friday.

If I hear no objection, I shall take it that the Council agrees to all of these points.

ORGANIZATION OF WORK

The PRESIDENT (interpretation from French): Before adjourning this meeting, I wish to inform members that, as agreed, at our next meeting tomorrow at 10.30 a.m., the Council will continue its consideration of agenda items 4 and 5 and also take up items 9 to 12.

The meeting rose at 12.30 p.m.